

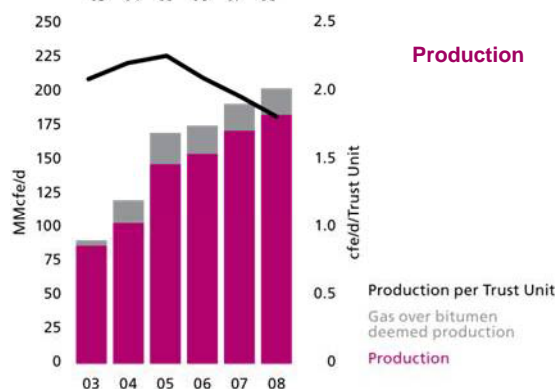
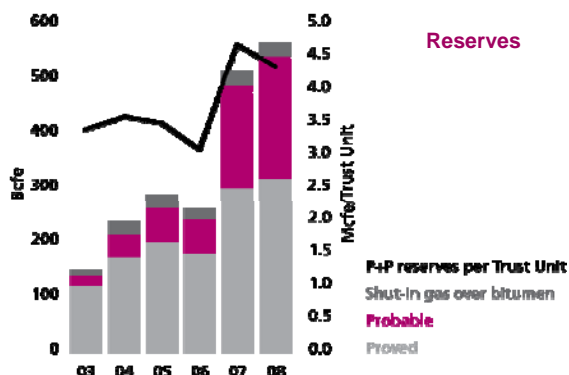
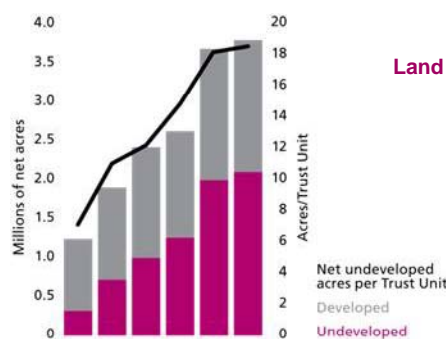
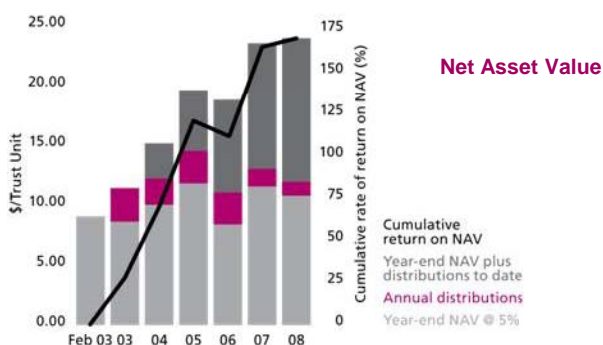
Q3 2009



FACT SHEET

Why invest in CANADA'S PREMIUM NATURAL GAS TRUST?

Paramount Energy Trust ("PET") is a high-yield income investment in the Canadian energy industry. Based in Calgary, Alberta, Canada PET operates as a full-cycle exploration and production company with operations concentrated in shallow natural gas in northeast and east central Alberta. PET's business plan revolves around a sustainable cash flow distributing model, directing capital to low exposure exploration and exploitation opportunities within the base assets to maintain production, and acquiring synergistic assets and investing in new ventures for growth. In PET's six year history cash distributions of \$13.664 per Trust Unit have been paid to Unitholders, production per Trust Unit has remained relatively flat while reserves, undeveloped land and NAV per Trust Unit have increased. Most importantly, PET has successfully grown its intrinsic inventory of opportunities to add production, reserves and value in the future.



Current Market Profile – November 9, 2009

Trust Units outstanding (TSX: PMT.UN; OTC: PMGYF)	124.6 million
Management ownership	22 %
Foreign ownership	26 %
Unit price (one week weighted average)	\$ 5.05
Current distribution (monthly)	\$ 0.05
Current annualized yield (\$0.05/mth)	12 %
YTD average daily trading volume	380,469
Market capitalization	\$ 640 million
Convertible debentures (PMT.DB.A; PMT.DB.B; PMT.DB.C)	\$ 230 million
Net bank debt	<u>\$ 295 million</u>
Enterprise value	\$ 1.2 billion

Q3 2009 Key Operating & Financial Results

Revenue	\$ 105.3 million
Funds flow	\$ 59.6 million
Per Trust Unit	\$ 0.49
PET realized gas price	\$ 7.51 Mcfe
AECO monthly index	\$ 3.02 Mcf
Distributions	\$ 18.3 million
Per Trust Unit	\$ 0.15
Payout ratio	31%
Projected 2009 net debt to annualized funds flow	1.3x
Current average daily production	150 Mmcf/d
Current 2009 voluntary production shut-in	15 Mmcf/d
Reserve Life Index (P+P)	8.0 years

Assets and Opportunities are Driving Change!

Long term sustainability

- ✓ PET's legacy asset base is well suited to a sustainable cash flow distributing model and is based on four defining characteristics
 - Predictable and low decline production base
 - High netbacks
 - Opportunity inventory for cost-effective production additions
 - Undeveloped land to feed the prospect inventory

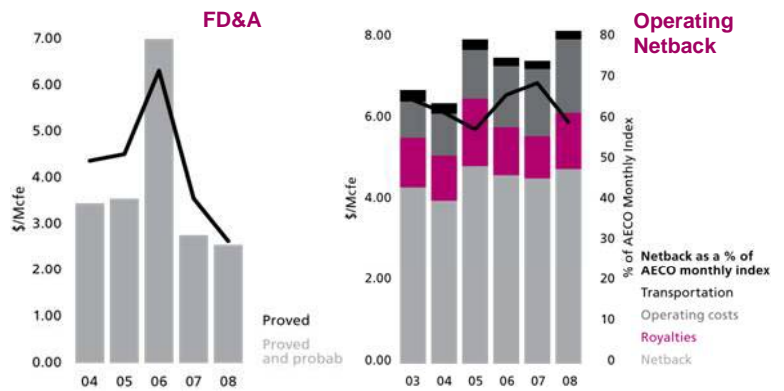
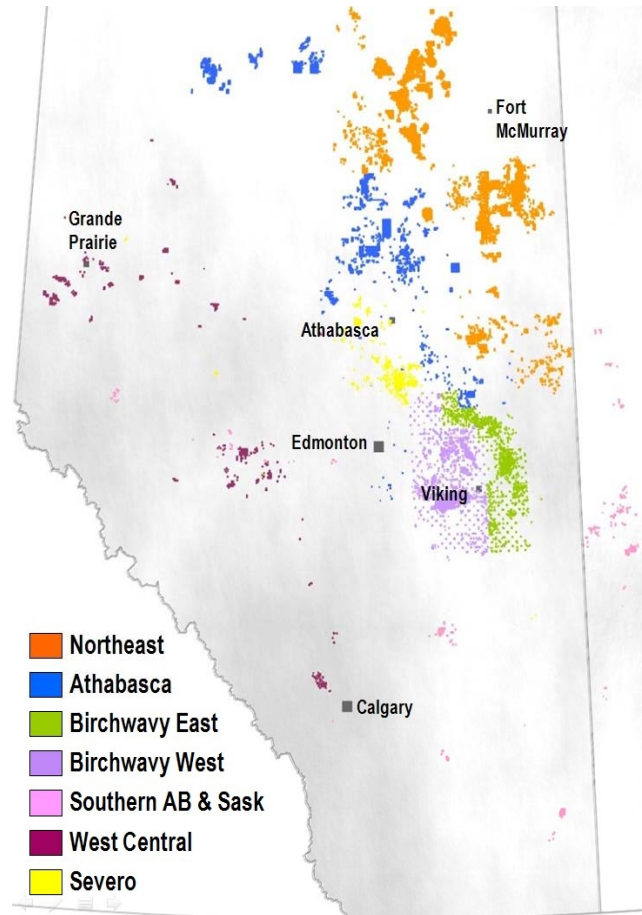
Balance sheet management

- ✓ PET has taken strong steps to reduce net debt; 2009 ending net debt to 2009 cash flow ratio projected at 1.3x
- ✓ PET's proactive natural gas price risk management program has enhanced our financial flexibility in uncertain economic times; extensive gas price management is in place through March 2013
 - YTD realized gains of \$163.7 million
 - Current value of hedge book = \$84 million

Strategies in place for future value creation and growth

- ✓ PET has developed tools internally to characterize and rank our prospect inventory for micro-level property evaluations; a Multi-year Plan has been developed, complete with full economic analysis
- ✓ Existing reserves represent a fraction of reserve and value potential of captured opportunities; NAV with prospect inventory at current strip ~ \$13.04 PV8%
- ✓ PET has initiated a number of new venture projects to further evolve our asset base
 - Unconventional Viking and Colorado Shale
 - Gas Storage Project
 - Bitumen Land Bank
- ✓ The Profound Energy Inc. acquisition represents a strategic entry point into west central Alberta with a significant number of higher impact, deep basin style resource play opportunities
- ✓ Capital budget of \$81 million has been approved for 2010

PET is and continues to be a fully functional E&P entity



Management

Clay Riddell - Executive Chairman
 Sue Riddell Rose - President & CEO
 Cam Sebastian - V.P. Finance & CFO
 Jeff Green - V.P. Production Operations
 Gary Jackson - V.P. Land, Legal & Acquisitions
 Kevin Marjoram - V.P. Engineering Execution
 Marcello Rapini - V.P. Marketing
 Chris Strong - Corporate Secretary, Corporate Counsel
 Rick Wartens - V.P. New Ventures and Geoscience

Independent Directors

Karen Genoway
 Randall Johnson
 Robert Maitland
 Don Nelson
 Jack Peltier
 Howard Ward

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This fact sheet contains forward-looking information with respect to Paramount Energy Trust. This forward-looking information is based on certain assumptions that involve a number of risks and uncertainties and are not guarantees of future performance. Actual results could differ materially as a result of changes in Paramount Energy Trust's plans, changes in commodity prices, general economic, market and business conditions as well as production, development and operating performance, regulations and other risks associated with oil and gas operations.

